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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE PRESENTATION

Ms. Magalie Roman Salas, Secretary
Federal Communications Commission
445 - 12th Street, S.W., TW-A325
Washington, DC 20554

Re: *Implementation of the Local Competition Provisions in the
Telecommunications Act of 1996, CC Docket No. 96-98*

Dear Ms. Salas:

Submitted in duplicate on behalf of Trillium Cellular Corp. is certain information supplementing its analysis in its Joint Comments in Response to Second Further Notice of Proposed Rulemaking (the "Joint Comments"), dated May 26, 1999. The information is intended to illustrate the contention in the Joint Comments that the "shared transport" network element fully satisfies the "impair" standard of Section 252(d)(2) of the Communications Act in the specific context of Type 2A and Type 2B interconnection arrangements available to cellular and other wireless carriers.

The Joint Comments pointed out that Petoskey, Michigan, is 53 miles from the Ameritech tandem office in Traverse City, Michigan, where Trillium has a Type 2A interconnection with Ameritech. Under the Type 2A Extended Local Calling Area (ELCA) interconnection arrangement which has been in place between Ameritech and Trillium for nearly a decade, landline callers in Petoskey may call Trillium's cellular customers on a seven-digit dialing basis and at no charge for the call. Instead, Ameritech bills Trillium on a Minute of Use (MOU) basis for the calls at access-equivalent rates. For the period October 17, 1998 through November 16, 1998, as an example, Petoskey landline callers generated a total of 58,692 minutes of traffic to Trillium's customers, for which Ameritech billed Trillium a total of \$202.84 in transport charges, or \$0.003456 per MOU.

By contrast, using Ameritech's current Tariff F.C.C. No. 2 as the pricing authority (28th Revised Page 411, 7th Revised Page 411.1 and 5th Revised Page 411.2), the DS-1 required for a Type 2B dedicated ELCA arrangement for Petoskey would cost Trillium a minimum of \$112.50 per month for the Local Distribution Channel, \$24.80 per month for the Channel Mileage Termination and \$13.84 per mile for 53 miles (totaling \$733.52),¹ for a grand total of \$870.82 per month or \$0.014837 per MOU – 429 percent of the current ELCA charges.

¹ The prices used in the example are for the 60 month Optional Payment Plan for Zone 1, which are by far the lowest prices stated in the tariff.

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As another example, East Jordan is 37 miles from Traverse City for landline rating purposes, and for the period October 17, 1998 through November 16, 1998, East Jordan landline callers generated 7,639 minutes of traffic to Trillium's customers, for which Ameritech billed Trillium a total of \$22.61 in local transport charges, or \$0.002960 per MOU. The DS-1 dedicated transport required for a Type 2B ELCA for East Jordan would cost Trillium a minimum of \$112.50 for the Local Distribution Channel, \$24.80 for the Channel Mileage Termination and \$13.84 per mile for 37 miles (totaling \$512.08), for a grand total of \$649.38 or \$0.085009 per MOU – 2872 percent of the current ELCA charges.

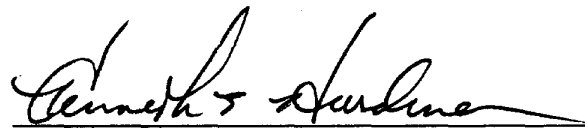
As the foregoing example illustrates, the economic penalty to Trillium resulting from the failure to have access to the shared transport network element increases disproportionately as the density of the traffic route decreases. Of course, this is merely another way of stating that rural areas such as those served by Trillium would be penalized especially severely if the shared transport network element is eliminated. It is also another way of stating that the economic penalty is the greatest for competitors in a start-up mode.

One other observation should also be made in this regard. There are 67 end offices subtending Ameritech's Traverse City tandem, of which 13 are part of the Traverse City EAS and 54 are toll rated for landline calling purposes. Of the 54, 27 are Ameritech end offices and 27 are independent company (non-Ameritech) end offices. Considering *only* the Ameritech end offices, and assuming a single dedicated trunk group would be able to serve all points that are EAS to the distant Ameritech end office, Trillium would require 13 additional DS-1 trunk groups merely to establish Type 2B dedicated ELCAs to each of the outlying Ameritech offices. The closest of these offices is 18 miles from Traverse City (Fife Lake) and the farthest is 83 miles from Traverse City (Mackinaw City). In addition to the substantial increase in monthly recurring charges required under Type 2B dedicated ELCAs, as illustrated above, Trillium also would incur substantial capital charges to increase the port capacity of its switch to be able to accommodate the increase in trunk groups delivering land-to-mobile traffic. Thus, simply comparing the difference in monthly recurring costs understates significantly the true penalty to Trillium if the shared transport network element is not available for implementing ELCAs.

Respectfully submitted,

TRILLIUM CELLULAR CORP.

By:


Kenneth E. Hardman

Its Attorney